

**STATE OF MICHIGAN
DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES
OFFICE OF FINANCIAL AND INSURANCE SERVICES**

Before the Commissioner of Financial and Insurance Services

**In the matter of the use of credit
scoring in setting personal automobile
and homeowners insurance rates**

ORDER NO. 02-018-M

**Issued and entered
this 15th day of May 2002
by Frank M. Fitzgerald
Commissioner**

ORDER FOR NOTICE AND PUBLIC HEARINGS

Many insurance companies are using credit scoring in determining premiums for personal automobile and homeowners insurance. The Commissioner has decided to conduct a series of public hearings to gather information on the use of insurance credit scores and testimony concerning its effects on consumers.

Rule 39 of the Hearing Procedures Rules, 1979 AC, R 500.1239, allows the commissioner to order a public hearing for the purpose of obtaining information and providing the public with an opportunity to present data, views, and arguments on issues upon which the Commissioner is authorized to make a determination. The Commissioner is authorized to make determinations with respect to the use of credit scoring in rating plans under Sections 2110a, 2403, and 2603 of the Insurance Code of 1956, as amended, MCL 500.2110a, 500.2403, and 500.2603.

Therefore, it is ORDERED that:

1. This agency shall widely distribute the Notice of Public Hearings attached as Attachment A to consumers, interested parties, insurers, and to all persons requesting such notice.
2. This agency shall publish the Notice of Public Hearings attached as Attachment B in conformity with Rule 2140 of the Hearing Procedures Rules, 1979 AC, R 500.2140(3).
3. This agency shall schedule a series of hearings as specified in the notices.

*(Final Order – contact OFIS, toll free
877-999-6442, if you require a signed copy.)*

Frank M. Fitzgerald
Commissioner